VIA ELECTRONIC CORRESPONDENCE

The Honorable Rick Perry
Secretary, U.S. Department Energy
U.S. Department Energy
1000 Independence Ave. S.W.
Washington, D.C. 20585

Dear Secretary Perry:

As a result of President Trump’s executive orders, 13771 and 13777, the Office of Advocacy (Advocacy) has begun an effort to hear first-hand from small businesses across the country about specific federal regulatory burdens facing their businesses. As you know, under the Regulatory Flexibility Act (RFA), agencies are required to consider the impact of their regulations on small entities when promulgating federal regulations. We believe the RFA and consideration of small business economic impacts is a good place to start when an agency is selecting rules that are being reviewed for reform or elimination.

We recently hosted roundtables in Louisiana, Idaho, Ohio, Kentucky, Missouri, and Kansas, and would like to inform you of the specific concerns and regulations that we heard about from small businesses in that region. In addition, Advocacy solicited online comments from stakeholders.

1 Advocacy was established pursuant to Pub. L. 94-305 to represent the views of small entities before federal agencies and Congress. Advocacy is an independent office within the U.S. Small Business Administration (SBA), so the views expressed by Advocacy do not necessarily reflect the views of the SBA or the Administration. The RFA, as amended by the Small Business Regulatory Enforcement Fairness Act (SBREFA), gives small entities a voice in the rulemaking process. For all rules that are expected to have a significant economic impact on a substantial number of small entities, federal agencies are required by the RFA to assess the impact of the proposed rule on small business and to consider less burdensome alternatives. 5 U.S.C. § 601 et seq.

The Small Business Jobs Act of 2010 requires agencies to give every appropriate consideration to comments provided by Advocacy. The agency must include, in any explanation or discussion accompanying the final rule’s publication in the Federal Register, the agency’s response to written comments submitted by Advocacy on the proposed rule, unless the agency certifies that the public interest is not served by doing so. Small Business Jobs Act of 2010 (PL 111-240) § 1601.
Summary of Concerns from Roundtables and Online Comments

- **Energy Efficiency Standards**
  Advocacy heard from several stakeholders regarding the energy efficiency standards for residential home-building. Small entities indicated that these standards are untenable, and extremely burdensome. In addition, Advocacy heard specifically about standards for compressors, ceiling fans, beverage vending machines, manufactured housing, walk-in coolers and freezers, and automatic commercial ice makers.

- **Energy Star Programming**
  Stakeholders indicated that the energy star program is currently superfluous in that it takes credit for savings that would have occurred anyway. Small entities indicated that the unit shipment data that they are required to submit is a burden to them and has no offsetting benefit. Furthermore, entities indicated that the cost of using only third-party certifying bodies is burdensome to small companies. Stakeholders have stated that energy star’s qualification levels, and test procedures should be reevaluated and modified.

The Office of Advocacy looks forward to working with your agency to reduce the burden of federal regulations on behalf of the small businesses that have asked us to be their voice in this regulatory reform process. We hope that you will include these specific rules when you compile your list of rules to review. Advocacy would be happy to meet with you or your representative so that we may detail the concerns and help suggest less burdensome alternatives for small business as rules are being considered for revision. I have provided the contact information for Assistant Chief Counsel Prianka Sharma below.

As we continue to hear from small businesses across the country at our regional regulatory reform roundtables or through our outreach from our regulatory reform website, we will update you with additional summaries from those locations.

Thank you for considering small business impacts as a vital part of your regulatory reform efforts and for including the Office of Advocacy as an important part of the process.

Sincerely,

Major L. Clark, III  
Acting Chief Counsel for Advocacy

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